Previous references.
LR 4 30-08 Serial 2

File No. 157-08

1909-10
(Gen Fin)

Serial Nos. 9 & 12

Later references.

P 25 F

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 9 & 12

Part B. for October 12

SUBJECT.

Loan to Siddaraj Urs and Krishnajammanne

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from the Dy Commr, Mysore District.
No 87/L.a 91 dt 3.8.09.
Submits a report to the effect that if it is legally inadmissible to take Pillasamanahalli as additional security for the loan, the only course for the Govt to recover the loan is to arrange for the Sale of Tummerle Village, the calculated annual income from which is barely sufficient to cover the interest on the 2 loans for which the Village stands G.R.S. 56 Security.
To Dy Commr, Mysore District, Fl 2673 dt 30.10.12

with reference to the above scheme was proposed is not possible for the following reasons.

1) The offer to give more Security has not come from the debtor but from a person who has no right to properly.

2) Govt being in possession of the properly, cannot file a suit for the recovery of the money; forward copy of a letter to the Palace Controller on the subject of the acquisition of Inam Villages of Pulicasamanahally & Thumbunerlé & observe that the question may be dropped with the

G. R. S. 11] 1909.

GENERAL AND REVENUE SECRETARIAT

(Genl Fin)

NOTES.

File. No 15708

FILE HEADING.

Loan to Siddaraj Urs & Krishnajammanni

FROM.

The D & C Mysore Dt

No. 87 Dated 3-8-09 Received 6-8-09
La 91

Diary No. 601	Enclos.	Spare Copies.	Serial No. 9

BRIEF ABSTRACT OF LETTER.

Submits a report to the effect that, if it is legally inadmissible to take Pallitonnanhalli as addl security for the loan, the only course for the Govt to recover the loan is to arrange for the sale of Tummerale village which is barely sufficient to cover the interest on the 2 lakhs for which the village stands security the calculated annual income from

NOTES AND ORDERS.

Vide notes by the Superintendent of the Dewans Office. The file relating to Pallitonnanhalli village is said to be on the Dewan's table and cannot be removed without permission.

NOTES—First sheet.

MGCPB—30,000—17-2-05.

Serial No.

2
The case was fully considered and after consulting the Govt advocate it was found that under the terms of the bond the Govt had have not got the right to sue for their money. But Govt may however consider the question of opening to Govt, (1) to keep the mortgaged villages or (2) to cancel their usufructuary right for a fair consideration.

mh 13/9

4
This has to be referred to Dy iii for opinion on the recommendation of the Deputy Commr. But the previous papers are required for reference & the file may be sent to Dy iii after the file is received back from the Revenue Office.

mh
14-9-9

5
The reference : f.o. no. 76
3985 of 4/3/1909. referred to by the Dy Comr in post-
7157
ing herewith. [The Supdt. D.O says that the file and the
430-08 & references put up therewith should be returned before Lunch
evening.]

Subd mh 11/10.

14/9/09

To Dy iii

A

NOTE—Contn. sheet.

GPB—50,000—13-5-08

Serial No.

Jud 55

Subd

SA 6
2/10

The Govt Advocate has recorded in file no 157/08 that Govt can not at present sue for money, as they are in possession of the property.

But Even if such a Suit was allowable, the practical advantage that would result to Govt by instituting such a Suit is not apparent. as it is, Govt. Can not be ousted from possession as they have a prior lien over the property. All that the Govt would gain by bringing the properties to a Sale (assuming such a course is legally allowable) is that they would be Enabled to convert their mortgage rights into rights of ownership if they chose to do so. But this advantage is more or less insubstantial as Govt have virtually got all the rights of an owner. I may note that to file a Suit means some expenditure to Govt.

2/10/09. SD

* file was very gently wanted the Dewan's opinion on it from the Suit on 2/10/09. 4/10.

NOTE—Contn. sheet.

GPR—50,000—13.5.08

Serial No.

Subd
11/10.

8 In view of the opinion expressed by the Judicial Branch, the Dy Commr may be informed that Govt do not consider that there is any object to be gained by adopting the Course recommended by him.

11-10-9

(Jud Secy)

Previous papers are in the Dewan's Office

9

The object is not to convert mortgage rights to proper ownership rights but, if there be no hope of saving the property & restoring it unencumbered to the proprietor within a reasonable time, to get back the Govt money. If after payt of interest nothing is left to reduce the principal year after year, what is the object in keeping the Govt money locked up in a mortgage? Govt do not enter into these transactions for investing money but for saving encumbered properties. When a case becomes hopeless why continue? I think properties are on the whole better managed by private proprietors than by Govt, who have got no regular staff for the purpose & when there is no object to be

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.

gained by keeping properties under first management first may as well retire from the management by getting back their money. Asstt Secy will please note upon the case again from this aspect. The point is whether by careful management, there is yet hope of having the situation eased in say 20 or 30 years.

Suptt

10

The courses recommended by the Dy Commr are two, namely,

(1) to take additional Security for the loan.

(2) to file a Suit for the recovery of the loan with interest.

Paper made up

11 The first Course could have been adopted had the offer to give more Security come from the debtor. But the offer is made by a person who has no right to the property proposed as additional Security. In such cases the recommendation of the Dy Commr to accept the offer of Venkatajammanna to give the

Sl 15 of collection Pages X

GPB—50.000—13-5-08

Serial No.

Flag A

Pattasomanahally Village as Seenuth is legally inadmissible and he has already been informed of it. The matter had been referred for the Opinion of the Govt Advocate before orders were passed on the Dy Commrs proposal.

12 The second course is also considered inadmissible under law, by the Govt Advocate. He says that Govt being in possession of the property Can not under the terms of the bond file a Suit for the recovery of the money. Neither of the recommendation Can therefore be accepted.

Page 24 Same Collection

13 As stated by the Dy Commr: there is not the least hope of restoring the property unencumbered to the family, if the Govt should insist on the recovery of the loan with interest. As there are further mortgages on the same property nothing is gained by Govt foregoing any portion of their claim. Such a Concession would benefit only the other creditors. The debtor is

under the term of the bond 12 p.c. interest is payable on overdue instalments

Vide Sec 5218 of the same collection - Qty 7 bonds. Also page 23

GPB—50,000—13-5-08

Serial No.

apparently not anxious to discharge his
obligations to Govt. If he cared
to free his property from encumbrance
he would have either mortgaged his
Other Village Pattadomanahatty to
Govt as additional Security or if
he wanted to manage the Village
himself, he would at least have p
a portion of its revenue towards
the discharge of the debt which
his father Contracted on the Secu
of the Tumarele Village. As the
debtor is not anxious to free hi
property from encumbrances &
as he is actually Contracting fres
debts on the Security of his
Other main Village Pattadomana
the Object of Govt in granting
a loan to this family under the System of
affording relief to encumbered
Zamindars has been completel
frustrated and if it were
possible the best Course to adopt
under the circs would have
been to get back our money
and leave the Zamindar to
his fate. But as stated

Serial No.

by the Govt Advocate to open to Govt to file a suit for recovering the money

14. It is stated that a subsequent creditor has actually brought the property to sale under an order of the Court and Sh?. there be any purchaser, we may get as the first mortgagee the whole of our money, Sh?- the value fetched by the property be sufficient to meet the entire claim or some share of it if the property does not realise an amount equivalent to our claim.

15 Concerning the object of the loan some concession might have been shown had there been any prospect of the property being restored unencumbered to the family. That prospect being unrealisable & as the debtor himself is not anxious to free his property from encumbrances any concession would be wasted

Collection Papers

& actually creating prior encumbrances on his property

Papers under this head

NOTE—Contn. sheet.

GPB—55,000—27-4-08

Serial No.

and benefit only some other creditor
16. As nothing can be done by Govt to ~~make them~~ restore the property to the family but they can not also take action for recovering their money, they have to allow the existing State of things to continue. The question is one of legal remedies open to the creditor and as the Govt Advocate is of opinion that there is no remedy open to Govt either to help the family or help themselves, they can not take any action in the matter. As already stated if the property finds a purchaser the Govt may get out of the transaction by getting what they can, giving up all hopes of ~~helping~~ helping the family as mentioned at

Initials

30-11-

17 I agree. We should explain the

G. R. S. 12]
General and Revenue Secretariat.

K.7 File No. 15 of 1908

Serial No.

situation, as made out by the Govt advocate, to the Dy Commr, & say that Govt must wait till the village is brought to sale by other creditors. When that is done Govt should get back their money & have done with the transaction.

NL
Ans

15

3469 8.12.09 Dewan Japee Illegible 7/12

19

Submitted. It is not very clear if the view expressed in the Financial Secretary's note supra has to be now conveyed to the Deputy Commissioner. Perhaps this may be referred to Branch I for a note if any orders comprising the above view has not been issued in connection with the question re Puttasomanahalli village. that was being dealt with in that Branch

Dr. M Ro
N.K. 27/9/12

28/9/1912

Br I 20

(LR. 420-08) 28/9/12

The file relating to the acquisition of the Puttasomanahalli & Thumbanelle villages for the Palace is put up for reference. No communication has been made to the Department.

Pro 95 30/9/12 88.14 GPB—1,000—27-4-09. Br II 2/10/12

NOTE—Contn. sheet.

0024

R. S. 12]

General and Revenue Secretariat.

Ql. File No. 157 of 1908

Serial No.	
	21 Draft submitted for approval or other orders Ql. 26 12/10. 22 Ql. 26/10 Ql. 26/10 23 seen. 24
12	Fl. 2673 dt 30.10.'12. To Deputy Commr, Mysore &c With reference to Sl.9 states that his proposal is not possible for the following reasons 1) The offer to give more security has not come from the debtor but from a person who has no right to property; 2) Govt being in possession of the property cannot file a suit for the recovery of the money; forwards copy of a letter to the Palace controller on the subject of the acquisition of Irgur villages of Kuttosamanahally & Thumbuerle & observes that the question may be dropped under the circumstances.

NOTE—Contn. sheet.

0604 (157084)

1909 - cc

From

Mr. Secretary Crewe-Read
Mysore Darbar

To

The Secretary to the
Govt. of Mysore
Chief Secretary

Dated 29th Nov 09

Despatched 3-8-09

Received

General No. 87

L & No. 91

Enclosure No 1

Submitting
report in the matter
of additional Secu-
rity proposed to
the loan granted
to Joshi Khanderao Sidda
Raje Urs and Krishna
Ayyangar Bhatia
&c

2)

No.
Enc. No. 2 & A91

OFFICE OF THE ... Dy Commissioner ...
MYSORE DISTRICT,
Dated Mysore Camp 29th July 1909.

To
K. Shendrasekara Iyer Esq., B. A. B. L.
SECRETARY TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE,
GENERAL AND REVENUE DEPARTMENTS.

Sir,

Adverting to correspondence ending with your letter No. Fl 39 [illegible] 85 of fasli 157-08-6 dated 6th march 1909 in the matter of additional security proposed to the loan granted to Joshi Kunne Siddanaje Urs and Krishnagowdanni I have the honour to state as follows:-

A

Of all the landed securities that are offered for loans granted under the Scheme for the relief of the Encumbered Inams, that of Jummale in the Nanjangud Taluk has the merit of being the least

substantial one as may be seen from the following account

No loan in question was granted in the year 1895 and has ever since remained the same without any material question either in principal or interest. Failure to pay up the instalments regularly and the commencement of the movement of the village by the Mandans themselves except the grant of the loan have contributed not a little to the increase of interest which alone now amounts to a little less than 3/4 of the Principal.

Thus their cumulative neglect to make regular payments under the terms of their bond has, while augmenting their liabilities, diminished the sufficiency of the security which was at first thought ample for the amount lent

4) Side by side with this the Government dues had also fallen into arrears and at a time when the village was being notified for sale for default of Government Revenue, the Government by reason of their peculiar relation with the village had to intervene and assume direct management.

Nor is this all. A half of the village is subject to a fanam Charge of Rs 10000/- payable to Sahukar Lakshmi patiah of Nizam and in a suit recently instituted by him, the Government had to defend their interest in the village. The order of the first court passed in this connection to the effect that the village may be sold subject to the

Coll[n] f.b. (P) 1907

to the hire of Government oxen has always been reported to Government.

Now it is a question for serious consideration whether the village with its total encumbrance of Rs 54000 is a sufficient security for the loan the Government have granted. If we, for that purpose, examine the resources of the village, we find as per Calculation appended the margin that the surplus revenues of the village is a very poor return for the debt due; being scarcely sufficient to cover even the bare interest on the 2 two loans, the interest on the loan of Lakshmeshwar being of course calculated at the favorable rate at which the Government have lent the amount thus at this rate the debt

debt is beyond all hopes of redemption, while the interest not being fully discharged every year swells the liabilities still more.

I therefore called upon the Irandars to explain how they proposed to deal with the situation. One of the recipients of the loan viz Sidambaram was being dead, the other Krishnayammami fully alive to the defective transaction expressed her desire to make amends by tendering her other village of Patasomanahalli as an additional security for the loan, but the Government were not pleased to view this proposal with favor.

The loan which the Government were pleased to grant to these Irandars by way of

relief has turned out to be
- far from beneficial to
them in as much as they are
now more encumbered than
ever, and do not appear to
be able to redeem their pledges
The Son of Siddarapa Mes. &
already repented to Govern
- ment, been raising a num
- ber of loans on the strength of
his other. In one village Pattan
som annahalli, French Rock
Sub Taluk that he cannot
be expected to come to the rescue
- ue of this unfortunate.
Thus the village is, to all
intents and purposes lost to
the Inamdars and it is of no
use for Government at this
stage to keep up the semblance
of relief to the Inamdars by
having in this list of secured villages
one that is not worth the name.

& no doubt the loan was granted by Government with the object of saving the Inamdars from embarrassment but when such help fails to improve matters, it is no longer necessary for us to be content with that little we can scrape together from the village every year.

The only course now open to us for the recovery of the loan amount seems to be to file a suit in the Civil Court ~~immediately~~ but to avoid the unpleasant consequences of such a measure and allow the Inamdars an opportunity to save their Inam village, an additional security was demanded, which was readily offered. If the security so voluntarily offered could not be accepted by Government, the only alternative is to bring the Inam villages under sale - a course attended with undue hardship

to the Inamdars resulting in the embarrassment of an Inam village which they enjoyed even so long.

Should the Government still think that such security can not on legal grounds be accepted I would beg to propose that for the recovery of the loan, a suit may be filed in the first Court and after obtaining decree we may [redacted] for the sale of the village free from all encumbrances.

The Government loan being a prior charge upon the property, the sale proceeds may, with the permission of the Court be applied first towards the discharge of the Government loan and the surplus if any left with the Courts for such distribution

(2) it considers proper and equitable. If the proceeds fall short of the amount due we cannot but proceed upon the above property of the Insolvent.

Should this proposal meet with the approval of Government, I shall in consultation with the Public Prosecutor arrange to file the suit and if, in the meantime any unusual difficulty presents itself to me in the case I shall obtain the orders of Government before proceeding further in the matter. I shall however, await the orders of Government before papers on the subject are entrusted to the Public Prosecutor for obtaining his professional advice. I have the honour to be,

Sir,

your most obedt Servt

S Ramaswamy

for Dr Cammiyer

Mysore Dt

A calculation sheet showing the annual income and expenditure of the Irum Irula village and the application of the net receipts towards the reduction of the loan.

Income of the village under all heads during

06-07 Rs 2572-

07-08 — 3007

The increase in 07-08 was due to the collection of arrears of previous years, which at the close of the last year amounted Rs 1600/- But looking from the demand of 07-08 (Rs 2600) the income of the village for some years to come may not exceed Rs. 2700/-

Deduct for Establishment charges 850-0-0

Rs 152-0-0. Patel & village Servants.

704-0-0 Government dues.

Net amount available for the reduction

Deduction of the loan every is only
Rs 18-50/—

Liabilities

Loan due to Government upto end
of last year ——————— Rs 27,500
Add interest upto do — Rs 16,800

Loan due to Salukar —
Local Municipalities — } 10,000

Interest not known

Total 54,300.

Annual interest accruing for
the 2 loans at 5 o/o on Rs 37,500 = 1875.

While the income calculated
is only Rs ——————— 1850

Deficit — 25

K. Mahadevappa
Jr. Dy Municipioner
Mysore District

G.R.S. 26]

File No. 57-00
Serial No. 12

Diary No. of letter replied to 684

No. H 2673
30-10-12

General and Revenue Secretariat
( )
, *the* 19 .

To
The Deputy Commissioner
Mysore Dt-

Date of issue 30-10-12

Signed by M K Narasimhaiah Sd

With reference to
your letter No 87/91 dt 3/8/1909
re the additional security proposed
towards the loan due to Govt from
Joshi Khane Siddaraj Urs and
Krishnajammanni avaru, I am
directed to state that your proposal
viz (1) to take additional security
for the loan, and or
(2) to file a suit for the recovery

SUBJECT.

AD 5/11/12

14) of the loan with interest; ~~are~~ is not possible for the following reasons

---

The first course could have been ~~of~~ adopted had the offer to give more security come from the debtor but the offer is made by a person who has no right to the property proposed as additional security.

The second course is also considered inadmissible under law, as the fort ~~declared~~ ~~being~~ is in possession of the property it cannot under the terms of the bond file a suit for the recovery of the money.

A Copy of letter No. R 1557 dt 19-9-1912 addressed to the Palace Controller on the subject of the acquisition of the Inam villages of Puttosomanahally and Thumbnerle is enclosed herewith for information. ~~[illegible]~~

~~[illegible]~~

The question may be dropped under the circumstances = ~~[illegible]~~

Z List of enclosures,

Copied by

Examined by

GPE—10,000—28-2-11.